



Office of the Chicago City
Clerk



O2011-6396

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	7/28/2011
Sponsor(s):	Mayor Emanuel
Type:	Ordinance
Title:	Sale of City-owned property at 9705 South Cottage Grove Ave
Committee(s) Assignment:	Committee on Housing and Real Estate



CITY COUNCIL - CITY OF CHICAGO
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RAY SUAREZ

ALDERMAN, 31ST WARD
VICE MAYOR - CITY OF CHICAGO

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COMMITTEE MEMBERSHIPS

HOUSING AND REAL ESTATE
(CHAIRMAN)

COMMITTEES, RULES AND ETHICS
(VICE-CHAIRMAN)

AVIATION

BUDGET AND GOVERNMENT OPERATIONS

FINANCE

TRANSPORTATION AND PUBLIC WAY

WORKFORCE DEVELOPMENT AND AUDIT

ZONING, LANDMARKS AND BUILDING STANDARDS

September 8, 2011
CHICAGO, ILLINOIS

TO THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL:

Your Committee on Housing and Real Estate which was referred three (3) ordinances by the Department of Housing and Economic Development authorizing the sale of City-owned property at:

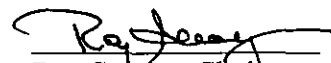
- | | |
|---------------------------------------|-----------|
| 1. 5758 S. Ada St. | 16TH WARD |
| 2. 5302 S. Winchester Ave. | 16TH WARD |
| 3. 9705 S. Cottage Grove Ave. | 8TH WARD |

Having the same under advisement, begs leave to report and recommend that Your Honorable Body **Pass** the proposed ordinances transmitted herewith.

This recommendation was concurred in by a vote of the members of the committee present with no dissenting votes.

Respectfully submitted,

(signed)


Ray Suarez, Chairman



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

July 28, 2011

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970 and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City Council of the City (the "City Council"), pursuant to ordinances adopted on June 10, 1998, and published at pages 70203 through 70366 in the Journal of Proceedings of the City Council (the "Journal") of such date, approved the redevelopment plan for the Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Area (the "Area"), designated the Area as a redevelopment project area, and adopted tax increment financing for the Area, all pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (the "Act"); and

WHEREAS, the City is the owner of approximately 2.6 acres of land in the Area, which is legally described on Exhibit A attached hereto (subject to final title commitment and survey, the "City Land"), and

WHEREAS, 97th Street SSA, LLC, an Illinois limited liability company, located at 694 Grandview Lane, Lake Forest, Illinois 60045 (the "Developer"), has submitted a proposal to the Department of Housing and Economic Development ("DHED") to purchase the City Land for its appraised fair market value of Four Hundred Sixty Five Thousand Dollars (\$465,000.00) (the "Purchase Price") to construct an office building to be used as the Southeastern Chicago regional offices of the Social Security Administration (the "Project"); and

WHEREAS, the City Land needs remediation due to past industrial uses; and

WHEREAS, the Developer has enrolled the City Land in the Illinois Environmental Protection Agency's (IEPA) Site Remediation Program and has performed a variety of investigative and remedial activities on portions of the Project Site, and

WHEREAS, the Developer has agreed to complete the remediation necessary to obtain a final comprehensive No Further Remediation (NFR) Letter from the IEPA approving the use of the City Land for the construction, development and operation of the Project, and

WHEREAS, in connection with the Developer's performance of such necessary remediation work (as more particularly defined in the Redevelopment Agreement, (the "Remediation Work") the City and the Developer shall, pursuant to written escrow agreement ("Escrow Agreement"), establish an escrow account (the "Escrow Account") to be held by a third party title insurance company for purposes of funding the Developer's costs of performing such remediation work; and

WHEREAS, all of the Purchase Price proceeds shall be deposited into the Escrow Account on the closing date; and

WHEREAS, the Project is consistent with the purposes and objectives of the Redevelopment Plan; and

WHEREAS, the Developer has agreed to undertake the Project in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a redevelopment agreement in substantially the form attached hereto as Exhibit B (the "Redevelopment Agreement"); and

WHEREAS, by Resolution No 11-CDC-28, adopted on May 10, 2011, the CDC authorized DHED to advertise its intent to negotiate a sale with the Developer for the City Land and to request alternative proposals for redevelopment, and recommended the sale of the City Land to the Developer if no responsive alternative proposals were received at the conclusion of the advertising period, or, if alternative proposals were received, if DHED determined in its sole discretion that it was in the best interest of the City to proceed with the Developer's proposal; and

WHEREAS, public notices advertising the Department's intent to enter into a negotiated sale of the City Land with the Developer and requesting alternative proposals appeared in the Chicago Sun-Times on May 5, May 13, and May 27, 2011; and

WHEREAS, no other responsive proposals were received by the deadline indicated in the aforesaid notices, **now, therefore,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council

SECTION 2. The sale of the City Land to the Developer for the Purchase Price is hereby approved. This approval is expressly conditioned upon the City entering into the Redevelopment Agreement with the Developer. The Commissioner of DHED (the "Commissioner") or a designee of the Commissioner is each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver the Redevelopment Agreement, the Escrow Agreement, and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement, the Escrow Agreement and such other supporting documents

SECTION 3. The Commissioner or a designee of the Commissioner is each hereby authorized to establish the Escrow Account and to cause the proceeds of the Purchase Price to be deposited into such Escrow Account as described in the above recitals, the Redevelopment Agreement and the Escrow Agreement. After such deposit, such proceeds shall be appropriated and disbursed from the Escrow Account from time to time to pay the cost of the Remediation Work, subject to the terms and conditions of the Redevelopment Agreement and the Escrow Agreement.

SECTION 4. The Mayor or his proxy is each hereby authorized to execute, and the City Clerk or the Deputy City Clerk is each hereby authorized to attest, a quitclaim deed or quitclaim deeds conveying the City Land to the Developer, or to a land trust of which the Developer is the sole beneficiary, or to an entity of which the Developer is the sole controlling party or which is comprised of the same principal parties, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement

SECTION 5. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance

SECTION 6. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. This ordinance shall take effect immediately upon its passage and approval.

APPROVED
Stephen R. Patton
CORPORATION COUNSEL

APPROVED
Rahm Emanuel by SRP
9/14/11 Mayor

Attachments: Exhibit A – Legal Description of City Land
Exhibit B – Redevelopment Agreement

EXHIBIT A

LEGAL DESCRIPTION OF CITY LAND

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

THAT PART OF THE NORTH ½ OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS, TO WIT: BEGINNING AT A POINT ON THE EASTERLY LINE OF COTTAGE GROVE AVENUE, 1301.82 FEET SOUTHWESTERLY FROM THE POINT OF INTERSECTION OF SAID EASTERLY LINE WITH THE SOUTH LINE OF EAST 95TH STREET; THENCE WEST ON A LINE PARALLEL WITH THE SOUTH LINE OF EAST 95TH STREET, 40.74 FEET TO THE CENTER OF COTTAGE GROVE AVENUE THENCE SOUTHWESTERLY ALONG THE CENTER LINE OF COTTAGE GROVE AVENUE, 350 FEET; THENCE EAST ON A LINE PARALLEL WITH THE SOUTH LINE OF EAST 95TH STREET, 650.74 FEET TO A POINT OF TANGENCY WITH A CURVE, THENCE NORTHEASTERLY ON A CURVE LINE CONVEX TO THE SOUTHEAST WITH A RADIUS OF 392.06 FEET AND TANGENT AT SAID POINT TO SAID LAST DESCRIBED STRAIGHT LINE, 398.28 FEET; THENCE NORTHEASTERLY ON A STRAIGHT LINE TANGENT TO SAID CURVE, 55.7 FEET TO A POINT OF TANGENCY WITH A CURVE; THENCE NORTHEASTERLY ON A CURVED LINE CONVEX TO THE NORTHWEST WITH A RADIUS OF 374.06 FEET AND TANGENT AT SAID POINT TO LAST DESCRIBED STRAIGHT LINE, 154.22 FEET TO A POINT 1278.55 FEET SOUTH OF SOUTH LINE OF EAST 95TH STREET; THENCE WEST ON A LINE PARALLEL WITH THE SOUTH LINE OF EAST 95TH STREET, 1012.34 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS,

Common address: 9705 South Cottage Grove Avenue
Chicago, Illinois 60609

PIN: 25-11-100-005(partial)

EXHIBIT B

REDEVELOPMENT AGREEMENT

(ATTACHED)

AGREEMENT FOR THE
SALE AND REDEVELOPMENT
OF LAND

(The Above Space For Recorder's Use Only)

This Agreement for the Sale and Redevelopment of Land ("Agreement") is made on or as of the ____ day of _____, 2011 by and between the **CITY OF CHICAGO**, an Illinois municipal corporation, acting by and through its Department of Housing and Economic Development ("City"), having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602 and **97th STREET SSA, LLC**, an Illinois limited liability company, ("Developer") located at 694 Grandview Lane, Lake Forest, Illinois 60045.

RECITALS

A. The City is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and such, may exercise any power and perform any function pertaining to its government and affairs

B. The Developer desires to purchase from the City an approximately 2.65 acre parcel of real property commonly known as 9705 South Cottage Grove Avenue, in Chicago, Illinois, and which is described on Exhibit A attached hereto (the "Property").

C. The Property is located in the Stony Island Avenue Commercial and Burnside Industrial Corridors Tax Increment Financing Redevelopment Area (the "Area") which was established pursuant to ordinances adopted by the City Council (the "City Council") of the City on June 10, 1998 and published in the Journal of Proceedings of the City Council (the "Journal") of such date at pages 70203 through 70366, pursuant to which the City Council approved the redevelopment plan (the "Plan") designated the Area as a redevelopment project area, and adopted tax increment financing for the Area, all pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1, et seq.) (the "Act").

D. The Developer shall use the Property to construct an 17,300 square foot, masonry constructed, LEED Silver certified, single story office building that will house the United States government's Southeast Chicago Social Security Administration offices, with approximately 80 on-site parking spaces (collectively, the "Project"), as more fully described on Exhibit B attached hereto.

E. The Project is consistent with the purposes and objectives of the Plan.

F. The appraised value of the Property is Four Hundred Sixty Five Thousand Dollars (\$465,000.00).

G. The City desires to sell the Property to the Developer for its fair market value.

H. The Property is part of a larger ten acre site owned by the City which has been assessed via a Phase I and Phase II environmental analysis conducted by the City's Department of the Environment ("DOE") and, on behalf of the Developer, by Environmental Protection Industries ("EPI"), which have determined that the site including the Property contains recognized environmental conditions due to its previous history and use which require environmental remediation as described in the Remediation Documents (as defined in Section 2 below).

I. The Developer has estimated that the cost of the environmental remediation at the Property will be Six Hundred Seventy Five Thousand Dollars (\$675,000.00).

J. In and as additional consideration for the transfer of the Property, the Developer has agreed to perform the environmental remediation.

K. The Developer has enrolled the Property in the Illinois Environmental Protection Agency's Site Remediation Program as of May 2, 2011 as project number 0316505004.

L. The Developer has agreed to complete the remediation necessary to obtain a Final NFR Letter (as defined in Section 2 below) for the Project as more fully described in Exhibit B.

M. The City and the Developer have agreed that the environmental remediation is necessary and desirable, and accordingly have agreed that the purchase amount of Four Hundred Sixty-Five Thousand Dollars (\$465,000.00) shall be deposited into an escrow to be drawn upon by the Developer with approval by the City to pay for approved remediation costs. Any costs in excess of such amount necessary to finalize the remediation shall be paid for by the Developer.

N. Pursuant to Resolution 11-CDC-28 adopted on May 10, 2011, the Community Development Commission (the "CDC") approved the negotiated sale of the property by the City acting through its Department of Housing and Economic Development (the "DHED") to the Developer for the construction of the Project.

O. The City Council, pursuant to an ordinance adopted on _____ 2011, and published at pages _____ through _____ in the Journal of such date, authorized the sale of the Property to the Developer, subject to the execution, delivery and recording of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. INCORPORATION OF RECITALS.

The foregoing recitals constitute an integral part of this Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

SECTION 2. DEFINITIONS.

For purposes of this Agreement, in addition to the terms defined in the foregoing Recitals, the following terms shall have the following meanings:

“Certificate of Completion” has the meaning set forth in Section 14.

“Closing” means the closing of the transaction contemplated by this Agreement.

“Closing Date” has the meaning set forth in Section 5.

“Commissioner” means the Commissioner or the Acting Commissioner of DHED.

“Construction Completion Date” has the meaning set forth in Section 13.

“CSI Report Phase II for Project” means the Comprehensive Site Investigation, Project Site, 9705 South Cottage Grove Avenue, Chicago, Illinois, prepared for DOE by Breichesen Engineering, Inc., dated April 9, 2010, as such report may be amended or supplemented from time to time.

“CSI Report Phase I for Project” means the Comprehensive Site Investigation, Project Site, 9705 South Cottage Grove Avenue, Chicago, Illinois, prepared for Developer by Environmental Protection Industry, dated May 11, 2011, as such report may be amended or supplemented from time to time.

“DHED” means the City’s Department of Housing and Economic Development and any successor department thereto.

“Deed” has the meaning set forth in Section 6.1.

“Developer Parties” means the Developer and its officers, members, employees, agents, representatives, consultants, engineers, contractors, subcontractors, materialmen, licensees, guests, successors and assigns, and others who may have been or may be on the Property at the invitation of any one of them.

“Disbursement” has the meaning set forth in Section 24.

“DOE” means the City’s Department of Environment and any successor department thereto.

“Draft NFR Letter for Project” means a draft comprehensive NFR Letter to commercial standards for the Project Site approving the Remediation as set forth in Section 23.2, as amended or supplemented from time to time.

“Effective Date” means the date upon which this Agreement has been both (a) fully executed, and (b) delivered to the Developer.

“Engineered Barriers” means any asphalt, concrete, three (3) feet of clean soil or a recreational facility or other surface structures meeting the location-specific intent of an engineered barrier as detailed in the Remediation Documents.

“Environmental Laws” means any and all Laws relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 *et seq.*, the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq.*, the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 *et seq.*, the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.*, the Clean Air Act, 42 U.S.C. § 7401 *et seq.*, the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*, the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 *et seq.*, the Occupational Safety and Health Act, 29 U.S.C. § 651 *et seq.*, any and all regulations promulgated thereunder, and all analogous state and local counterparts or equivalents, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 *et seq.*, and any theory of common law tort or toxic tort, including, without limitation, negligence, trespass, nuisance, strict liability or ultrahazardous activity.

“Equity” means funds of the Developer (other than funds derived from Lender Financing).

“Escrow Agreement” has the meaning set forth in Section 24.

“Escrow Termination Date” has the meaning set forth in Section 24.

“Escrowee” has the meaning set forth in Section 24.

“Event of Default” has the meaning set forth in Section 20.4.

“Exacerbation” means any actions by or on behalf of Developer Parties which causes a Release (as such term is defined in CERCLA) of any Pre-existing Environmental Conditions, including, but not limited to, the disturbance, movement, reconfiguration, excavation, handling, transportation or disposal of any Hazardous Substances at or from the Property.

“Final NFR Letter” means one or more final comprehensive NFR Letters approving the use of the Property for the construction, development and operation of the Project in accordance with the terms and conditions of the Remediation Documents, as amended or supplemented from time to time. The Final NFR Letter(s) shall state that the Property meets TACO Tier 1 Remediation

Objectives for commercial/industrial properties and the construction worker exposure route as set forth in 35 IAC Part 742, but may be conditioned upon use and maintenance of Engineered Barriers and other institutional or engineering controls acceptable to the IEPA.

“Force Majeure” has the meaning set forth in Section 20.2.

“Governmental Approvals” has the meaning set forth in Section 8.

“Hazardous Substances” means any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Laws, or any pollutant, toxic vapor, or contaminant, and shall include, but not be limited to, volatile organic compounds (VOCs), polynuclear aromatic hydrocarbons (PNAs), RCRA metals which exceed the IEPA Tier 1 remediation objectives, crude oil, any fraction thereof, or refined petroleum products such as oil, gasoline, or other petroleum-based fuels, lead paint, asbestos or asbestos-containing materials, urea formaldehyde, any radioactive material or by-product material, radon and mold.

“IEPA” means the Illinois Environmental Protection Agency and any successor department thereto.

“Laws” means all applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments.

“LEED” means the U.S. Green Building Council’s Leadership in Energy and Environmental Design program.

“Losses” means any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, reasonable attorney’s fees and expenses, consultants’ fees and expenses and court costs).

“Municipal Code” means the Municipal Code of the City of Chicago, as amended.

“NFR Letter” means a “No Further Remediation” letter issued by the IEPA pursuant to the SRP and, with respect to any USTs subject to Title 16 of the Illinois Environmental Protection Act, a “No Further Remediation” letter with respect to such USTs pursuant to Title 16, whichever is applicable, as amended or supplemented from time to time.

“Outside Closing Date” has the meaning set forth in Section 5.

“Plans and Specifications” means the final construction plans and specifications prepared by Perspective Design, Inc., as submitted to the City as the basis for obtaining Governmental Approvals for the Development, as such plans and specifications may be amended, revised and/or supplemented from time to time with the prior written approval of the City in accordance with Section 11.1 hereof.

“Remediation Work” means any and all investigation, sampling, monitoring, testing, removal, response, disposal, storage, remediation, treatment and other activities necessary at or in the vicinity of the Property in order to obtain a Final NFR Letter for the Initial Development in accordance with the terms and conditions of the Remediation Documents, all requirements of the IEPA and all applicable Laws, including, without limitation, all applicable Environmental Laws.

“Pre-existing Environmental Conditions” means the presence of any Hazardous Substances at, on, under or about the Property as of the Closing Date.

“Proof of Financing” has the meaning set forth in Section 9.

“Purchase Price” has the meaning set forth in Section 3.

“Reimbursement Request” has the meaning set forth in Section 24.

“Remediation Documents” means (a) with respect to the Project Site, the Remediation Work Plan, the CSI Phase I and Phase II Report and the Draft NFR Letter for the Project, as each may be amended and supplemented from time to time.

“ROR/RAP for the Project” means the Remedial Objectives Report and Remedial Action Plan for the Project 9705 South Cottage Grove Avenue, Chicago, Illinois, prepared for Developer by Environmental Protection Industry, dated May 11, 2011, as such report may be amended or supplemented from time to time.

“Special Waste” means all materials that require management as a special waste, as defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 *et. seq.*

“SRP” means the IEPA’s Site Remediation Program as set forth in Title XVII of the Illinois Environmental Protection Act, 415 ILCS 5/58 *et seq.*, and the regulations promulgated thereunder.

“Title Commitment” has the meaning set forth in Section 7.1.

“Title Company” means Chicago Title Insurance Company.

“Title Policy” means a title insurance policy issued by the Title Company in the most recently revised ALTA or equivalent form, showing the Developer as the named insured with respect to the Property and noting the recording of this Agreement as an encumbrance against the Property.

“UST(s)” means underground storage tank(s) whether or not subject to Title 16 of the Illinois

Environmental Protection Act, including without limitation (a) any underground storage tank as defined in 415 ILCS 5/57.2, (b) any farm or residential tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes, (c) any tank used for storing heating oil for consumption on the Property where stored, (d) any septic tank, (e) any tank that is excluded from the definition in 415 ILCS 5/57.2 based upon the existence of any Hazardous Substance therein, and (f) any pipes connected to items (a) through (e) above.

SECTION 3. PURCHASE PRICE.

The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the Property for the sum of Four Hundred Sixty-Five Thousand Dollars (\$465,000.00) ("Purchase Price"), to be deposited into an escrow account (the "Escrow") at the Closing (as defined in Section 5). The Developer acknowledges that the City has only agreed to sell the Property to the Developer for the Purchase Price because the Developer has agreed to fully remediate the environmental conditions on the Property and to execute this Agreement and comply with its terms and conditions, including, without limitation, Section 23. The Developer shall pay all escrow fees and other title insurance fees and closing costs.

SECTION 4. EARNEST MONEY AND PERFORMANCE DEPOSIT.

The parties agree that the Developer has tendered on June 1, 2011, to the City (1) an Earnest Money deposit in the amount of Twenty-Three Thousand Two Hundred Fifty Dollars (\$23,250.00) which at the Closing is to be deposited into the Remediation Escrow Account, and (2) a performance deposit in the amount of Twenty-Three Thousand Two Hundred Fifty Dollars (\$23,250.00) which will be returned to the Developer upon issuance of a Certificate of Completion. The City will pay no interest to the Developer on either deposit.

None of the provisions contained in this Agreement are to be construed to excuse the faithful performance by Developer of the terms and conditions of this Agreement or limit the liability of Developer under this Agreement for any and all damages.

The parties agree that if Developer chooses not to proceed with the purchase of the Property after ratification of such purchase by the Chicago City Council, but prior to Closing, then in such event all security and performance deposits set forth in the first paragraph of this Section 4 shall be returned in full to Developer.

SECTION 5. CLOSING.

The closing of the transaction contemplated by this Agreement ("Closing") shall take place at the downtown offices of Chicago Title and Trust Company, 171 N. Clark Street, Chicago, Illinois 60601, or such other title company as may be selected by the Developer ("Title Company"), within thirty (30) days after the Developer has satisfied all conditions precedent set forth in Section 9, or on such date as the parties mutually agree upon in writing (the "Closing Date"); provided, however, in no event shall the Closing occur any later than December 31, 2011 (the "Outside Closing Date"),

unless DHED, in its sole discretion following a written request from the Developer, extends the Outside Closing Date for a period not to exceed Twelve (12) months. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement.

SECTION 6. CONVEYANCE OF TITLE.

6.1 Form of Deed. The City shall convey the Property to the Developer by quitclaim deed ("Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the Deed, the following:

- (a) the Redevelopment Plan for the Area;
- (b) the standard exceptions in an ALTA title insurance policy, with an extended coverage endorsement over the general exceptions (provided that any survey required for such extended coverage shall be developer's responsibility and that the City will sign an ALTA Statement but not a gap undertaking;
- (c) general real estate taxes and any special assessments accruing after the Closing;
- (d) all nonviolated easements, encroachments, covenants and restrictions of record and not shown of record, with a restrictions endorsement over any violation;
- (e) such other title defects as may exist; and any and all exceptions caused by the acts of the Developer or its agents.

6.2 Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property to the Developer.

SECTION 7. TITLE AND SURVEY.

7.1 The Developer acknowledges that the City has delivered to the Developer a commitment for an owner's policy of title insurance for the Property, Commitment No.1301 004386173, with an effective date of November 28, 2007, issued by the Title Company (the "Title Commitment"), showing the City in title to the Property. Prior to Closing the City shall provide Developer with a later dated Title Commitment. The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including all search, continuation and later-date fees), and obtaining any title insurance, extended coverage or other endorsements it deems necessary. The Developer shall also be solely responsible for and shall pay all costs associated with obtaining any survey it deems necessary.

7.2 The City shall use reasonable efforts to obtain the waiver or release of any delinquent real estate tax liens on the Property prior to the Closing to the extent such tax liens can be waived or released through submission of an abatement letter to the Cook County Treasurer or a motion to vacate a tax sale. If the City is unable to obtain the waiver or release of any such tax liens or is unable to cause the Title Company to insure over such tax liens, or if the Property is encumbered with any other exceptions that would adversely affect the use and insurability of the Property for the development of the Project, the Developer shall have the option to do one of the following: (a) accept title to the Property subject to the exceptions, without reduction in the Purchase Price; or (b) terminate this Agreement by delivery of written notice to the City at least fourteen (14) days prior to the Closing Date, in which event this Agreement shall be null and void and, except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement as aforesaid, the Developer agrees to accept title subject to all exceptions. The Developer shall be responsible for all taxes accruing after the Closing.

SECTION 8. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.

The Developer shall apply for all necessary building permits and other required permits and approvals for the construction of the Project no later than forty-five (45) days after the City Council authorizes the sale of the Property, unless DHED, in its sole discretion, extends such application date, and shall pursue such permits and approvals in good faith and with all due diligence.

SECTION 9. PROJECT BUDGET AND PROOF OF FINANCING.

The Budget for the Remediation Work shall be substantially as depicted in Exhibit F attached hereto. The budget for the Project as of May, 2011 was estimated to be Four Million Eight Hundred Eighty Six Thousand Seven Hundred Sixty Three and 00/100 Dollars (\$4,886,763.00) (the "Preliminary Project Budget"). On the Closing Date, the Developer shall submit to DHED for approval a final project budget materially consistent with the Preliminary Project Budget ("Budget") and evidence of funds adequate to finance the purchase of the Property and the construction of the Project ("Proof of Financing"). The Proof of Financing shall consist of final, executed loan documents for the Project from the Developer's lenders, if any, and evidence of the Developer's ability to make an equity contribution in the amount of any gap in financing.

SECTION 10. CONDITIONS TO THE CITY'S OBLIGATION TO CLOSE.

The obligations of the City under this Agreement are contingent upon the delivery or satisfaction of each of the following items at least fourteen (14) days prior to the Closing Date, unless another time period is specified below; or unless DHED in its sole discretion, agrees to waive any such condition:

10.1 Final Governmental Approvals. The Developer shall deliver to the City such governmental approvals necessary to commence construction of the Project. After the Closing Date, the Developer shall provide DHED with copies of any additional permits issued and, in any event, shall obtain all requisite permits prior to commencing construction of the project.

10.2 Budget and Proof of Financing. The City shall have approved the Developer's Budget and Proof of Financing.

10.3 Simultaneous Loan Closing. On the Closing Date, the Developer shall simultaneously close all financing approved pursuant to Section 9, and be in a position to immediately commence construction of the Project.

10.4 Insurance. The Developer shall deliver to the City evidence of insurance reasonably acceptable to the City. The City shall be named as an additional insured on all liability insurance policies and as a loss payee (subject to the prior rights of any first mortgagee) on all property insurance policies from the Closing Date through the date the City issues the Certificate of Completion (as defined in Section 14 below). With respect to property insurance, the City will accept an ACORD 28 form. With respect to liability insurance, the City will accept an ACORD 25 form, together with a copy of the endorsement that is added to the Developer's policy showing the City as an additional insured.

10.5 Legal Opinion. The Developer shall deliver to the City a legal opinion in a form reasonably acceptable to the City.

10.6 Due Diligence. The Developer shall deliver to the City due diligence searches in its name (UCC liens, state and federal tax liens, pending suits and judgments in Cook County and the U.S. District Court for the Northern District of Illinois, and bankruptcy), showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the Corporation Counsel.

10.7 Organization and Authority Documents. The Developer shall deliver to the City the Developer's articles of incorporation, including all amendments thereto, as furnished and certified by the Illinois Secretary of State; the Operating Agreement of the Developer, as certified by the secretary of the Developer; resolutions authorizing the Developer to execute and deliver this Agreement and any other documents required to complete the transaction contemplated by this Agreement and to perform its obligations under this Agreement; a certificate of good standing from the Illinois Secretary of State dated no more than thirty (30) days prior to the Closing; and such other limited liability company authority and organizational documents as the City may reasonably request.

10.8 Subordination Agreement. Prior to recording any mortgage approved pursuant to Section 17, the Developer shall deliver to the City a subordination agreement in a form reasonably acceptable to the City ("Subordination Agreement").

10.9 MBE/WBE, and City Residency Hiring Compliance Plan. The Developer and the Developer's general contractor and all major subcontractors shall meet with staff from the DHED regarding compliance with the MBE/WBE, and city residency hiring and other requirements set forth in Section 25, and at least seven (7) days prior to the Closing Date, the City shall have approved the Developer's compliance plan in accordance with Section 25.

10.10 Representations and Warranties. On the Closing Date, each of the representations and warranties of the Developer in Section 26 and elsewhere in this Agreement shall be true and correct.

10.11 Other Obligations. On the Closing Date, the Developer shall have performed all of the other obligations required to be performed by the Developer under this Agreement as and when required under this Agreement.

If any of the conditions in this Section 10 have not been satisfied to the City's reasonable satisfaction within the time periods provided for herein, the City may, at its option, terminate this Agreement by delivery of written notice to the Developer at any time after the expiration of the applicable time period, in which event this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder. Any forbearance by the City in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

SECTION 11. CONSTRUCTION REQUIREMENTS.

11.1 Site Plans. The Developer shall construct the Project on the Property in accordance with the site plan and other drawings prepared by Perspective Design, Inc. attached hereto as Exhibit C, dated April 26, 2011, which have been approved by DHED and which are incorporated herein by reference (collectively, "Plans"). The City recognizes that it is the Developer's intent that the site plans shall in all ways be compliant with the "Leadership in Environmental and Energy Design" ("LEED") assessment and checklist requirements for LEED-Silver Certification. No material deviation from the Plans may be made without the prior written approval of DHED. If the Developer submits and DHED approves revised site plans or architectural drawings after the date of this Agreement, the term "Plans" as used herein shall refer to the revised site plans and architectural drawings upon DHED's written approval of the same.

11.2 LEED Construction. All construction of the Project, including but not limited to construction, building orientation, green space and surface parking shall be built to a LEED-Silver Certified standard. The Project shall be registered with the US Green Building Council ("USGBC") for the required certification prior to the beginning of construction. Project shall be constructed in compliance with all guidelines and requirements as delineated by the USGBC mandated for the LEED-Silver Certification. Upon completion of construction Developer, at Developer's cost, shall have all aspects of construction pertinent to LEED certification tested and certified as being compliant with the LEED Standard. The Developer will submit written evidence from the USGBC demonstrating compliance with the required LEED certification.

11.3 Relocation of Utilities, Curb Cuts and Driveways. The Developer shall be solely responsible for and shall pay all costs associated with: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or other services. The City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

11.4 City's Right to Inspect Property. For the period commencing on the Closing Date and continuing through the date the City issues the Certificate of Completion, any duly authorized representative of the City shall have access to the Property at all reasonable times for the purpose of determining whether the Developer is constructing the Project in accordance with the terms of this Agreement and all applicable federal, state and local statutes, laws, ordinances, codes, rules, regulations, orders and judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code of Chicago relating to waste disposal (collectively, "Laws").

11.5 Barricades and Signs. Prior to the commencement of any construction activity requiring barricades, the Developer shall install barricades of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. DHED shall have the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades, which approval shall not be unreasonably withheld or delayed. The Developer shall erect all signs and barricades so as not to interfere with or affect any bus stop or train station in the vicinity of the Property.

11.6 Job Covenants. The Project is estimated to retain thirty-five (35) permanent federal jobs and will create approximately seventy-five (75) temporary construction jobs.

SECTION 12. LIMITED APPLICABILITY.

Any approval given by DHED pursuant to this Agreement is for the purpose of this Agreement only and does not constitute the approval required by the City's Department of Buildings ("DOB") or any other City department; nor does such approval constitute an approval of the quality, structural soundness or safety of any improvements located or to be located on the Property, or the compliance of said improvements with any Laws, private covenants, restrictions of record, or any agreement affecting the Property or any part thereof.

SECTION 13. COMMENCEMENT AND COMPLETION OF PROJECT.

The Developer shall commence construction of the Project no later than the later of October 1, 2011, or 90 days from the actual Closing and shall complete the Project (as evidenced by the issuance of the Certificate of Completion) no later than the later of April 1, 2012 or 9 months from the actual Closing; provided, however, DHED, in its sole discretion, may extend the construction commencement and completion dates. The Developer shall give written notice to the City within

five (5) days after it commences construction. The Developer shall construct the Project in accordance with the Plans and all Laws and covenants and restrictions of record.

SECTION 14. CERTIFICATE OF COMPLETION.

The Developer shall request from the City a certificate of completion ("Certificate of Completion") upon the completion of the Project in accordance with this Agreement and receipt of the Final NFR Letter for the Project. Within thirty (30) days after receipt of a written request by the Developer for a Certificate of Completion, the City shall provide the Developer with either the Certificate of Completion or a written statement indicating in adequate detail how the Developer has failed to fulfill its obligations in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary for the Developer to take or perform in order to obtain the Certificate of Completion. If the City requires additional measures or acts to assure compliance, the Developer shall resubmit a written request for the Certificate of Completion upon compliance with the City's response. The Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement and the Deed with respect to the Developer's obligations to construct the Initial Development and undertake the actions and improvements allowing for issuance of the Final NFR Letter, including, without limitation, all Post-Closing Remediation Work. The Certificate of Completion shall not, however, constitute evidence that the Developer has complied with any Laws relating to such construction, and shall not serve as any "guaranty" as to the quality of the construction. Nor shall the Certificate of Completion release the Developer from its obligation to comply with the other terms, covenants and conditions of this Agreement which survive the Certificate of Completion.

SECTION 15. RESTRICTIONS ON USE.

The Developer agrees that it:

- (a) Shall devote the Property to a use that complies with the Redevelopment Plan until such Area expires; and
- (b) Shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in providing access to or use of the Property or the Project or any part thereof; and
- (c) Shall maintain and manage the development for no less than ten (10) years solely as offices for the Social Security Administration of the United States unless the Social Security Administration terminates its lease through no fault of Developer prior thereto; and

The Developer acknowledges and agrees that the use restrictions set forth in this Section 15 constitute material, bargained-for consideration for the City and are intended to further the goals and

objectives of the Redevelopment Plan for the Area and that, but for such use restrictions, the City would not have agreed to convey the Property to the Developer.

SECTION 16. PROHIBITION AGAINST SALE OR TRANSFER OF PROPERTY.

Prior to the issuance of the Certificate of Completion for the Project, the Developer may not, without the prior written consent of DHED, which consent shall be in DHED's sole discretion: (a) directly or indirectly sell, transfer or otherwise dispose of the Property or any part thereof or any interest therein or the Developer's controlling interests therein (including without limitation, a transfer by assignment of any beneficial interest under a land trust); or (b) directly or indirectly assign this Agreement. The Developer acknowledges and agrees that DHED may withhold its consent under (a) or (b) above if, among other reasons, the proposed purchaser, transferee or assignee (or such entity's principal officers or directors) is in violation of any Laws, or if the Developer fails to submit sufficient evidence of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee. If the Developer is a business entity, no principal party of the Developer (e.g., a general partner, member, manager or shareholder) may sell, transfer or assign any of its interest in the entity prior to the issuance of the Certificate of Completion to anyone other than another principal party, without the prior written consent of DHED, which consent shall be in DHED's sole discretion. The Developer must disclose the identity of all limited partners to the City at the time such limited partners obtain an interest in the Developer.

SECTION 17. LIMITATION UPON ENCUMBRANCE OF PROPERTY.

Prior to the issuance of the Certificate of Completion for the Project, the Developer shall not, without DHED's prior written consent, which shall be in DHED's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the Property, except for the acquisition and construction financing approved pursuant to Section 9 hereof.

SECTION 18. MORTGAGEES NOT OBLIGATED TO CONSTRUCT.

Notwithstanding any other provision of this Agreement or of the Deed, the holder of any mortgage authorized by this Agreement (or any affiliate of such holder) shall not itself be obligated to construct or complete the Project, or to guarantee such construction or completion, but shall be bound by the other covenants running with the land specified in Section 19 and, at Closing, shall execute a Subordination Agreement (as defined in Section 10.8). If any such mortgagee or its affiliate succeeds to the Developer's interest in the Property prior to the issuance of the Certificate of Completion, whether by foreclosure, deed-in-lieu of foreclosure or otherwise, and thereafter transfers its interest in the Property to another party, such transferee shall be obligated to complete the Project, and shall also be bound by the other covenants running with the land specified in Section 19.

SECTION 19. COVENANTS RUNNING WITH THE LAND.

The parties agree, and the Deed shall so expressly provide, that the covenants provided in Section 13 (Commencement and Completion of Project), Section 15 (Restrictions on Use), Section 16 (Prohibition Against Transfer of Property) and Section 17 (Limitation Upon Encumbrance of Property) will be covenants running with the land, binding on the Developer and its successors and assigns (subject to the limitation set forth in Section 18 above as to any permitted mortgagee) to the fullest extent permitted by law and equity for the benefit and in favor of the City, and shall be enforceable by the City. The covenants provided in Sections 13, 16 and 17 shall terminate upon the issuance of the Certificate of Completion for the Project. The covenant contained in Section 15 shall terminate on the date the Area expires.

SECTION 20. PERFORMANCE AND BREACH.

20.1 Time of the Essence. Time is of the essence in the Developer's performance of its obligations under this Agreement.

20.2 Permitted Delays. The Developer shall not be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable causes beyond the Developer's control and without the Developer's fault or negligence, including, without limitation, acts of God, acts of the public enemy, acts of the United States government, fires, floods, epidemics, quarantine restrictions, strikes, embargoes and unusually severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the Developer requests an extension in writing within twenty (20) days after the beginning of any such delay.

20.3 Cure. If the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have sixty (60) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the Developer promptly commences such cure and thereafter diligently pursues such cure to completion (so long as continuation of the default does not create material risk to the Project or to persons using the Project). Notwithstanding the foregoing, no notice or cure period shall apply to defaults under Sections 20.4(c), (e) and (g), and no notice shall be required for a default under Section 20.4(h).

20.4 Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Agreement:

(a) The Developer makes or furnishes a warranty, representation, statement or certification to the City (whether in this Agreement, an Economic Disclosure Statement, or another document) that is not true and correct.

(b) A petition is filed by or against the Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereafter existing, which is not vacated, stayed or set aside within sixty (60) days after filing.

(c) The Developer fails to complete the Project in accordance with the time line outlined in Section 13 above, or the Developer abandons or substantially suspends construction of the Project.

(d) The Developer fails to pay real estate taxes or assessments affecting the Property or any part thereof when due, or places thereon any encumbrance or lien unauthorized by this Agreement, or suffers or permits any levy or attachment, mechanic's, laborer's, material supplier's, or any other lien or encumbrance unauthorized by this Agreement to attach to the Property unless bonded or insured over.

(e) The Developer makes an assignment, pledge, unpermitted financing, encumbrance, transfer or other disposition in violation of this Agreement.

(f) There is a material and adverse change in the Developer's financial condition or operations, which change, in the City's reasonable opinion, affects the ability of the Developer to meet its obligations under this Agreement or the Deed

(g) The Developer fails to close by the date specified in Section 5, unless DHED, in its sole discretion, extends such date.

(h) The Developer fails to perform, keep or observe any of the other covenants, conditions, promises, agreements or obligations under this Agreement or any other written agreement entered into with the City with respect to the Project.

20.5 Prior to Closing. If an Event of Default occurs prior to the Closing, and the default is not cured in the time period provided for in Section 20.3 above, the City may terminate this Agreement.

20.6 After Closing. If an Event of Default occurs after the Closing but prior to the issuance of the Certificate of Completion for the Project, and the default is not cured in the time period provided for in Section 20.3 above, the City may terminate this Agreement and exercise any and all remedies available to it at law or in equity, including, without limitation, the right to re-enter and take possession of the Property, terminate the estate conveyed to the Developer, record the reconveyance deed that the Developer shall deliver on the Closing Date in the form of Exhibit E and revert title to the Property in the City (the "Right of Reverter"); provided, however, the City's Right of Reverter shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement. The City may also receive the immediate disbursement of any funds remaining in the Escrow Account, and damages in an amount equal to all amounts previously disbursed in such account if the NFR Letter has not been received.

20.7 Resale of the Property. Upon the revesting in the City of title to the Property as provided in Section 20.6, the City may complete the Project or convey the Property, subject to any first mortgage lien, to a qualified and financially responsible party reasonably acceptable to the first mortgagee, who shall assume the obligation of completing the Project or such other improvements as shall be satisfactory to DHED, and otherwise comply with the covenants that run with the land as specified in Section 19.

20.8 Disposition of Resale Proceeds. If the City sells the Property as provided for in Section 20.7, the net proceeds from the sale, after payment of all amounts owed under any mortgage liens authorized by this Agreement in order of lien priority, shall be utilized to reimburse the City for:

- (a) costs and expenses incurred by the City (including, without limitation, salaries of personnel) in connection with the recapture, management and resale of the Property (less any income derived by the City from the Property in connection with such management); and
- (b) all unpaid taxes, assessments, and water and sewer charges assessed against the Property; and
- (c) any payments made (including, without limitation, reasonable attorneys' fees and court costs) to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer; and
- (d) any expenditures made or obligations incurred with respect to construction, remediation or maintenance of the Project; and
- (e) any other amounts owed to the City by the Developer.

The Developer shall be entitled to receive any remaining proceeds up to the amount of the Developer's equity investment in the Property.

SECTION 21. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

The Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in the Developer, this Agreement, the Property or the Project, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, association or other entity in which he or she is directly or indirectly interested. No agent, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer or successor or with respect to any commitment or obligation of the City under the terms of this Agreement.

SECTION 22. INDEMNIFICATION.

Developer's Indemnification. The Developer agrees to indemnify, defend and hold the City harmless from and against any Losses suffered or incurred by the City arising from or in connection with: (a) an Event of Default that has occurred and that is not cured in the time period provided for in Section 20 above; (b) the failure of the Developer or any agent to pay contractors, subcontractors or material suppliers in connection with the construction and management of the Project; (c) any misrepresentation or omission intentionally made by the Developer or any agent; (d) the failure of the Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto of which Developer has actual knowledge; and (e) any activity undertaken by the Developer or any agent of Developer on the Property prior to or after the Closing. This indemnification shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 23. ENVIRONMENTAL MATTERS.

23.1 "As Is" Sale. The Developer acknowledges and agrees that it has had adequate opportunity to inspect the Property and perform any surveys, environmental assessments, soil and other tests it deems necessary or desirable to satisfy itself as to the condition of the Property, and accepts the risk that any inspection may not disclose all material matters affecting the Property. Subject to the City's Environmental Obligations, the Developer agrees to accept the Property in its "as is," "where is" and "with all faults" condition on the Closing Date without any covenant, representation or warranty, express or implied, of any kind, as to the structural, physical or environmental condition of the Property or the suitability of the Property for any purpose whatsoever. The Developer hereby acknowledges that, in purchasing the Property, the Developer is relying solely upon its own inspection and other due diligence activities and not upon any information (including, without limitation, environmental studies or reports of any kind) provided by or on behalf of the City or its agents or employees with respect thereto. The Developer agrees that it is the Developer's sole responsibility and obligation to perform any remedial activities and take such other action as is necessary to put the Property in a condition which is suitable for its intended use.

23.2 Remediation Work. The Developer covenants and agrees, at its sole cost and expense, to complete all Remediation Work. The Developer acknowledges and agrees that the City will not issue a Certificate of Completion for the Project until the IEPA has issued, and the City has approved, a Final NFR Letter for the Project. In connection therewith, the following shall apply:

(a) The Developer shall perform all Remediation Work in compliance with all applicable Environmental Laws, and in a cost-effective and commercially reasonable manner.

(b) The Developer shall cooperate and consult with the City at all relevant times (and in all cases upon the request of the City) with respect to environmental matters, including, without limitation, any plans or proposals the Developer may have that would

materially increase the Incremental Costs.

(c) The City and its representatives shall have the right to be present at the Property to observe the Remediation Work.

(d) The Developer shall keep the City informed at all times of the status of the Remediation Work.

(e) The Developer shall incorporate the requirements of the ROR/RAP for the Project Site into its final construction plans and specifications for the Project, and shall coordinate with DOE to ensure that all requirements of the SRP are satisfied and all information required for preparation of the RACR is collected during construction in an organized and timely manner, including, without limitation, all load tickets, gate receipts, waste manifests, disposal records, analytical data, permits, field logs, photographs and survey information for inclusion in the RACR.

(f) The Developer shall provide DOE with any environmental sampling and analysis as needed to obtain a Final NFR Letter.

(g) The Developer shall be solely responsible for the management, transportation, treatment, handling, storage and disposal of all wastes generated at the Property in connection with the Remediation Work, including, without limitation, completion of all manifests and other shipping and disposal documents. The City shall have the right to approve both disposers and disposal facilities, which approval shall not be unreasonably withheld. The Developer shall furnish to the City copies of all manifests and other information necessary to enable the City to fulfill its obligations as generator.

(h) The Developer and the City shall promptly transmit to the other copies of all documents and other written communications delivered to or received from the IEPA or other regulatory agencies with respect to the Remediation Work or the Property.

(i) If the Developer discovers any USTs, PCB-contaminated soil or other unexpected Pre-existing Environmental Conditions during the Remediation Work, the Developer shall notify the City as soon as reasonably practicable and cooperate with the City to develop a work plan to remediate such conditions. The Developer shall be responsible for the remediation of any unexpected Pre-existing Environmental Conditions.

23.3 Cost Estimates; Treatment of Savings.

(a) The Developer estimates that the total Costs for the Project will be \$4,886,763.00 as set forth in the "Preliminary Project Budget" attached hereto as Exhibit G, which includes remediation costs in the amount of \$675,000.00. The cost estimates are based upon final engineering and architectural plans for the Project and final bids from the construction manager and subcontractors who will perform the work. The Developer

represents and warrants that the budget amounts in Exhibit G include reasonable, good faith estimates of the costs to remediate the Property to the condition that will enable it to obtain a Final NFR Letter.

(b) If the actual costs for the Remediation Work at the time of the issuance of the NFR letter are less than the amount held in the Escrow the City shall be entitled to retain the difference (the "Savings").

SECTION 24. ESCROW AGREEMENT.

The City and the Developer shall enter into an escrow agreement substantially in the form attached hereto as Exhibit H (the "Escrow Agreement"), designating the Title Company as the escrowee thereunder (the "Escrowee"). The parties hereby authorize their respective attorneys to execute the Escrow Agreement and to make such amendments thereto as they shall deem necessary or convenient to provide for the completion of the Remediation Work. At the Closing, the City shall deposit into the escrow, in accordance with the terms of the Escrow Agreement, the sum of Four Hundred Sixty-Five Thousand Dollars (\$465,000.00) (the "Escrow"). The Escrowee shall make payments (each, a "Disbursement") to the Developer from the escrow from time to time upon the written approval of the City, subject to the provisions of Paragraph 6 of the Escrow Agreement. Prior to each Disbursement from the escrow, the Developer shall deliver to the City and the Escrowee a written request for payment, together with appropriate supporting documentation as required under the Escrow Agreement detailing the costs for which the Developer seeks reimbursement (the "Reimbursement Request"). The escrow shall terminate, on the first to occur of (a) the date the IEPA issues the Final NFR Letter for the Initial Development, (b) the date on which the escrowed amount is fully disbursed, the "Escrow Termination Date"). Upon termination of the escrow, should any funds remain in the account, including accrued interest, those funds shall be paid to the City. Should all funds in the Escrow be disbursed and the Remediation Work not yet be completed, Developer shall thereafter be responsible for any remaining environmental costs, including, without limitation, maintenance of Engineered Barriers, monitoring, SRP reporting and any other requirements or continuing obligations under the Final NFR Letter.

SECTION 25 DEVELOPER'S EMPLOYMENT OBLIGATIONS.

25.1 Employment Opportunity. The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any affiliate of the Developer operating on the Property (collectively, the "Employers" and individually, an "Employer") to agree, that with respect to the provision of services in connection with the construction of the Project or occupation of the Property:

(a) Neither the Developer nor any Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Section 2-160-010 et seq. of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"). The Developer and each Employer shall take affirmative action to

ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, and are treated in a non-discriminatory manner with regard to all job-related matters, including, without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer and each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Developer and each Employer, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

(b) To the greatest extent feasible, the Developer and each Employer shall present opportunities for training and employment of low and moderate income residents of the City, and provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the City. Developer agrees to participate with the City to provide a training opportunity for City identified M/WBE contractor's employees. The contractors and employees that are currently engaged in similar trade areas will be trained to obtain certifications related to installation of specialty equipment with the goal of creating a local pool of certified M/WBE contractors for future sustainable equipment installation projects.

(c) The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), both as amended from time to time, and any regulations promulgated thereunder.

(d) The Developer, in order to demonstrate compliance with the terms of this Section 25.1, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) The Developer and each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the construction of the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 25.1 shall be a basis for the City to pursue remedies under the provisions of Section 20.

25.2 City Resident Employment Requirement.

(a) The Developer agrees, and shall contractually obligate each Employer to agree, that during the construction of the Project, the Developer and each Employer shall

comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 2-92-330 of the Municipal Code of Chicago (at least fifty percent); provided, however, that in addition to complying with this percentage, the Developer and each Employer shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

(b) The Developer and the Employers may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the chief procurement officer of the City of Chicago.

(c) "Actual residents of the City of Chicago" shall mean persons domiciled within the City of Chicago. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

(d) The Developer and the Employers shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the construction of the Project. The Developer and the Employers shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

(e) The Developer and the Employers shall submit weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) to DOH in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Developer or Employer hired the employee should be written in after the employee's name.

(f) The Developer and the Employers shall provide full access to their employment records to the chief procurement officer, DHED, the Superintendent of the Chicago Police Department, the inspector general, or any duly authorized representative thereof. The Developer and the Employers shall maintain all relevant personnel data and records for a period of at least three (3) years after the issuance of the last Partial Certificate of Completion.

(g) At the direction of DHED, the Developer and the Employers shall provide affidavits and other supporting documentation to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

(h) Good faith efforts on the part of the Developer and the Employers to provide work for actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the chief procurement officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section 25.2 concerning the worker hours performed by actual Chicago residents.

(i) If the City determines that the Developer or an Employer failed to ensure the fulfillment of the requirements of this Section 25.2 concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section 25.2. If such non-compliance is not remedied in accordance with the breach and cure provisions of Section 20.3, the parties agree that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Budget shall be surrendered by the Developer and for the Employers to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer and/or the other Employers or employees to prosecution.

(j) Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement.

(k) The Developer shall cause or require the provisions of this Section 25.2 to be included in all construction contracts and subcontracts related to the construction of the Project.

25.3 Developer's MBE/WBE Commitment. The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the general contractor to agree, that during the construction of the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 24.3, during the course of construction of the Project, at least 24% of the aggregate hard construction costs, as set forth in Exhibit D hereto (the "MBE/WBE Budget") shall be expended for contract participation by minority-owned businesses and at least 4% of the MBE/WBE Budget shall be expended for contract participation by women-owned businesses.

(b) For purposes of this Section 25.3 only:

(i) The Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(ii) The term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(iii) The term "women-owned business" or "WBE" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed on the Project by the MBE or WBE); by the Developer utilizing a MBE or a WBE as the general contractor (but only to the extent of any actual work performed on the Project by the general contractor); by subcontracting or causing the general contractor to subcontract a portion of the construction of the Project to one or more MBEs or WBEs; by the purchase of materials or services used in the construction of the Project from one or more MBEs or WBEs; or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 23.3. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE general contractor or subcontractor without the prior written approval of DOH.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the construction of the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or the general contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the construction of the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs

and WBEs in connection with the construction of the Project for at least five (5) years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on prior notice of at least five (5) business days, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the construction of the Project.

(e) Upon the disqualification of any MBE or WBE general contractor or subcontractor, if the disqualified party misrepresented such status, the Developer shall be obligated to discharge or cause to be discharged the disqualified general contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 25.3 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

25.4 Pre-Construction Conference and Post-Closing Compliance Requirements. Not less than fourteen (14) days prior to the Closing Date, the Developer and the Developer's general contractor and all major subcontractors shall meet with DOH monitoring staff regarding compliance with all Section 25 requirements. During this pre-construction meeting, the Developer shall present its plan to achieve its obligations under this Section 25, the sufficiency of which the City's monitoring staff shall approve as a precondition to the Closing. During the construction of the Project, the Developer shall submit all documentation required by this Section 25 to the City's monitoring staff, including, without limitation, the following: (a) subcontractor's activity report; (b) contractor's certification concerning labor standards; (c) contractor letter of understanding; (d) monthly utilization report; (e) authorization for payroll agent; (f) certified payroll; (g) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (h) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 25, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (x) issue a written demand to the Developer to halt construction of the Project, (y) withhold any further payment of any City funds to the Developer or the general contractor, or (z) seek any other remedies against the Developer available at law or in equity.

SECTION 26. REPRESENTATIONS AND WARRANTIES.

26.1 Representations and Warranties of the Developer. To induce the City to execute this Agreement and perform its obligations hereunder, the Developer hereby represents and warrants to the City that as of the date of this Agreement and as of the Closing Date the following shall be true and correct in all respects:

(a) The Developer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Illinois with full power and authority to acquire, own and redevelop the Property, and the person signing this Agreement on behalf of the Developer has the authority to do so.

(b) All certifications and statements contained in the Economic Disclosure Statement last submitted to the City by the Developer (and any legal entity holding an interest in the Developer) are true, accurate and complete.

(c) The Developer's execution, delivery and performance of this Agreement and all instruments and agreements contemplated hereby will not, upon the giving of notice or lapse of time, or both, result in a breach or violation of, or constitute a default under, any other agreement to which the Developer, or any party affiliated with the Developer, is a party or by which the Developer or the Property is bound.

(d) To the best of the Developer's knowledge, no action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer, or any party affiliated with the Developer, and the Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (i) affect the ability of the Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of the Developer.

(e) To the best of the Developer's knowledge, the Project will not violate: (i) any Laws, including, without limitation, any zoning and building codes and environmental regulations; or (ii) any building permit, restriction of record or other agreement affecting the Property.

26.2 Representations and Warranties of the City. To induce the Developer to execute this Agreement and perform its obligations hereunder, the City hereby represents and warrants to the Developer that the City has authority under its home rule powers to execute and deliver this Agreement and perform the terms and obligations contained herein.

26.3 Survival of Representations and Warranties. Each of the parties agrees that all of its representations and warranties set forth in this Section 26 or elsewhere in this Agreement are true as of the date of this Agreement and will be true in all material respects at all times thereafter, except with respect to matters which have been disclosed in writing and approved by the other party and shall survive the Closing for a period of one (1) year.

SECTION 27. NOTICES.

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile or email; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City: City of Chicago
Department of Housing and Economic Development
121 North La Salle Street, Room 1000
Chicago, Illinois 60602
Fax: (312) 744-7223
Email: christopher.jang@cityofchicago.org

With a copy to: City of Chicago
Department of Law
121 North La Salle Street, Suite 600
Chicago, Illinois 60602
Attn: Real Estate Division
Fax: (312) 742-0277
Email: mgaynes@cityofchicago.org

If to the Developer: 97th Street SSA, LLC
694 Grandview Lane
Lake Forest, Illinois 60045
Attn: William Schorsch
Fax: 847-482-0179
Email: wschorsch@sbcglobal.net

With a copy to:

Law Offices of Samuel VP Banks
221 North La Salle Street
38th floor
Chicago, Illinois 60601
Attn: Sylvia Michas
Fax: (312) -----
Email: Sylvia@sambankslaw.com

With a further copy to:

Martin S. Korey, Esq.
Stone Pogrud & Korey, LLC
1 East Wacker Drive, Suite 2610
Chicago, IL 60601
Fax: 312-782-1482
Email: mkorey@spklaw.com

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 27 shall constitute delivery.

SECTION 28. BUSINESS RELATIONSHIPS.

The Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (b) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with

respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that no violation of Section 2-145-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 29. PATRIOT ACT CERTIFICATION.

The Developer represents and warrants that neither the Developer nor any Affiliate (as hereafter defined) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. As used in this Section 29, an "Affiliate" shall be deemed to be a person or entity related to the Developer that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the Developer, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

SECTION 30. PROHIBITION ON CERTAIN CONTRIBUTIONS - MAYORAL EXECUTIVE ORDER NO. 2011-4.

30.1 The Developer agrees that the Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in the Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (the Developer and all the other preceding classes of persons and entities are together the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (a) after execution of this Agreement by the Developer, (b) while this Agreement or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Agreement or any Other Contract, or (d) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

30.2 The Developer represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached the Developer, or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

30.3 The Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

30.4 The Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

30.5 Notwithstanding anything to the contrary contained herein, the Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 30 or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Agreement, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

30.6 If the Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the Closing, the City may elect to decline to close the transaction contemplated by this Agreement.

30.7 For purposes of this provision:

(a) "Bundle" means to collect contributions from more than one source, which contributions are then delivered by one person to the Mayor or to his political fundraising committee.

(b) "Other Contract" means any other agreement with the City to which the Developer is a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council.

(c) "Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

(d) Individuals are "domestic partners" if they satisfy the following criteria:

(i) they are each other's sole domestic partner, responsible for each other's common welfare; and

- (ii) neither party is married; and,
- (iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (iv) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (v) two of the following four conditions exist for the partners:
 - (1) The partners have been residing together for at least 12 months.
 - (2) The partners have common or joint ownership of a residence.
 - (3) The partners have at least two of the following arrangements:
 - (A) joint ownership of a motor vehicle;
 - (B) joint credit account;
 - (C) a joint checking account;
 - (D) a lease for a residence identifying both domestic partners as tenants.
 - (4) Each partner identifies the other partner as a primary beneficiary in a will.
- (e) “Political fundraising committee” means a “political fundraising committee” as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

SECTION 31. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

Failure by Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of the Agreement and the transactions contemplated thereby. Developer shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

SECTION 32. INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL.

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City's Legislative Inspector General and with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and

2-56, respectively, of the Municipal Code of Chicago. The Developer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

SECTION 33. COOPERATION WITH OFFICE OF COMPLIANCE.

In accordance with Chapter 2-26-010 et seq of the Municipal Code, the Developer acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Executive Director of the Office of Compliance in connection with any activities undertaken by such office with respect to this Agreement, including, without limitation, making available to the Executive Director the department's premises, equipment, personnel, books, records and papers. The Developer agrees to abide by the provisions of Chapter 2-26-010 et seq.

SECTION 34. MISCELLANEOUS.

The following general provisions govern this Agreement:

34.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

34.2 Cumulative Remedies. The remedies of any party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such party or hereafter existing at law or in equity, unless specifically so provided herein.

34.3 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

34.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the parties hereto. No term of this Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefitted by such term.

34.5 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

34.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

34.7 Headings. The headings of the various sections and subsections of this Agreement have been inserted for convenience of reference only and shall not in any manner be construed as modifying, amending or affecting in any way the express terms and provisions hereof.

34.8 No Merger. The terms of this Agreement shall not be merged with the Deed, and the delivery of the Deed shall not be deemed to affect or impair the terms of this Agreement

34.9 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

34.10 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

34.11 Successors and Assigns Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on or as of the date first above written.

CITY OF CHICAGO, an Illinois municipal corporation

By: _____
ANDREW MOONEY
Commissioner
Department of Housing and Economic Development

97TH STREET SSA, LLC, an Illinois Limited Liability Company

By: _____
Name: WILLIAM D. SCHORSCH
Its Manager

THIS INSTRUMENT PREPARED BY, AND
AFTER RECORDING, PLEASE RETURN TO:

Marc J. Gaynes
Assistant Corporation Counsel
City of Chicago
121 North La Salle Street, Suite 600
Chicago, Illinois 60602
(312) 744-1807

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew Mooney, the Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, *acknowledged that, as said Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein set forth.*

GIVEN under my notarial seal this ____ day of _____, 2011.

NOTARY PUBLIC

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that WILLIAM D. SCHORSCH, personally known to me to be the MANAGER of 97TH STREET SSA, LLC, an Illinois Limited Liability Company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that he signed and delivered the foregoing instrument pursuant to authority given by said corporation, as his free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 2011.

NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY
(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

THAT PART OF THE NORTH ½ OF SECTION 11, TOWNSHIP 37 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS, TO WIT: BEGINNING AT A POINT ON THE EASTERLY LINE OF COTTAGE GROVE AVENUE, 1301.82 FEET SOUTHWESTERLY FROM THE POINT OF INTERSECTION OF SAID EASTERLY LINE WITH THE SOUTH LINE OF EAST 95TH STREET; THENCE WEST ON A LINE PARALLEL WITH THE SOUTH LINE OF EAST 95TH STREET, 40.74 FEET TO THE CENTER OF COTTAGE GROVE AVENUE THENCE SOUTHWESTERLY ALONG THE CENTER LINE OF COTTAGE GROVE AVENUE, 350 FEET; THENCE EAST ON A LINE PARALLEL WITH THE SOUTH LINE OF EAST 95TH STREET, 650.74 FEET TO A POINT OF TANGENCY WITH A CURVE, THENCE NORTHEASTERLY ON A CURVE LINE CONVEX TO THE SOUTHEAST WITH A RADIUS OF 392.06 FEET AND TANGENT AT SAID POINT TO SAID LAST DESCRIBED STRAIGHT LINE, 398.28 FEET; THENCE NORTHEASTERLY ON A STRAIGHT LINE TANGENT TO SAID CURVE, 55.7 FEET TO A POINT OF TANGENCY WITH A CURVE; THENCE NORTHEASTERLY ON A CURVED LINE CONVEX TO THE NORTHWEST WITH A RADIUS OF 374.06 FEET AND TANGENT AT SAID POINT TO LAST DESCRIBED STRAIGHT LINE, 154.22 FEET TO A POINT 1278.55 FEET SOUTH OF SOUTH LINE OF EAST 95TH STREET; THENCE WEST ON A LINE PARALLEL WITH THE SOUTH LINE OF EAST 95TH STREET, 1012.34 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS,

Common address: 9705 South Cottage Grove Avenue
Chicago, Illinois 60609

PIN: 25-11-100-005(partial)

EXHIBIT B

NARRATIVE DESCRIPTION OF PROJECT

The Developer shall use the Property to construct a 17,300 square foot, masonry structure with windows along all sides, LEED Silver certified, single story office building to be leased to the Social Security Administration of the United States Government (the "SSA") that will house the Southeast Chicago Social Security Administration offices, with approximately 80 on-site parking spaces. To achieve LEED-Silver certification the building will include energy efficient mechanical systems, low E glass, white TPO roof, low flow toilets, water efficient landscaping, as well as recycled and regional materials.

Prior to beginning construction the Developer shall obtain an approval of a Remedial Objectives Report and a Remediation Action Plan from the IEPA. Thereupon, Developer shall commence construction of the building and such barriers as are necessary to facilitate the environmental remediation.

EXHIBIT C

PLANS

(to be attached)

EXHIBIT D

MBE/WBE BUDGET

(to be attached)

EXHIBIT E

FORM OF RECONVEYANCE DEED

SPECIAL
WARRANTY DEED

(The Above Space For Recorder's Use Only)

Grantor, 97TH STREET SSA, LLC, an Illinois Limited Liability Company ("Grantor"), having its offices at 694 Grandview Lane, Lake Forest, Illinois 60045, for and in consideration of \$1.00, conveys and warrants to the City of Chicago, an Illinois municipal corporation ("Grantee"), having its principal offices at 121 North LaSalle Street, Chicago, Illinois 60602, the real property legally described and identified on Exhibit A attached hereto (the "Property"). Grantor acknowledges that it has executed and delivered this deed simultaneously with, and as a condition precedent to the initial conveyance of the Property to Grantor, and that the deposit of this reconveyance Special Warranty Deed, and, if necessary, its subsequent recording, is a condition established pursuant to the terms and conditions of that certain Agreement for the Sale and Redevelopment of Land between Grantor and Grantee dated as of _____, 2011, by and between the Grantor and Grantee, and is a remedial right granted under such agreement. Grantor acknowledges and agrees that its execution and deposit of this Special Warranty Deed was a material inducement to the City of Chicago's initial conveyance of the Property, and that but for such the execution, deposit and right to record this Special Warranty Deed (if necessary), the City of Chicago's initial conveyance of the Property to the Grantee would not have occurred.

Dated this ____ day of _____, 20__.

97TH STREET SSA, LLC, an Illinois limited liability company

By _____

State of Illinois)
) SS
County of Cook)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____ personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that ____ signed and delivered the instrument as ____ free and voluntary act and as the free and voluntary act of the corporation, for the uses and purposes therein set forth.

Given under my hand and official seal,
this ____ day of _____, 20__.

Notary Public

[PREPARER, TAX BILL AND EXEMPTION INFORMATION APPEARS ON NEXT
PAGE]

MAIL DEED AND TAX BILLS TO:

THIS INSTRUMENT WAS PREPARED BY:

City of Chicago
Marc J. Gaynes,
City of Chicago, Dept .of Law
121 N. La Salle St., #600
Chicago, Illinois 60602

Dept. of Housing and Economic Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
312.744-7223

THIS TRANSFER IS EXEMPT PURSUANT TO THE PROVISIONS OF THE REAL ESTATE TRANSFER TAX ACT, 35 ILCS 200/31-45(e) (actual consideration less than \$100) AND SECTION 3-33-060.E OF THE MUNICIPAL CODE OF THE CITY OF CHICAGO (CHICAGO REAL PROPERTY TRANSFER TAX ORDINANCE) (transfer price less than \$500)

Exhibit F

Environmental Remediation Budget

\$35/ton x 17,000 tons = \$595,000 which is ~ \$600,000.

The cost for NFR administration, testing, report, etc. was estimated at \$50,000

The cost for IEPA fees was estimated at \$20,000

Allowance for Special Waste Non-Hazardous Waste Haul-Off Premium = \$670,000

Exhibit G

Project Budget
(to be attached)

EXHIBIT H

Form of Environmental Escrow Agreement

ENVIRONMENTAL REMEDIATION ESCROW AGREEMENT

THIS ENVIRONMENTAL REMEDIATION ESCROW AGREEMENT ("Escrow Agreement") is made as of the __ day of _____, 2011, by and among CITY OF CHICAGO ("Seller") an Illinois municipal corporation, 97th STREET SSA, LLC, an Illinois limited liability company, ("Purchaser") and CHICAGO TITLE & TRUST COMPANY, as Escrowee ("Escrowee")

RECITALS

A. Seller and Purchaser are parties to that certain Agreement for the Sale and Redevelopment of Land dated as of _____, 2011 (the "Redevelopment Agreement"), whereby Seller agreed to sell, and Purchaser agreed to purchase, certain real estate, as more particularly described in the Agreement (the "Property").

B. Purchaser is obligated to perform certain environmental Remediation Work (as defined in the Agreement) (the "Remediation Work") to the Property, and the parties have agreed to establish this escrow to secure and partially finance Purchaser's obligations to perform the Remediation Work.

C. Seller acknowledges and agrees that the McShane Construction Company July 11, 2011 revised Environmental Remediation Budget attached hereto as Exhibit A and each of the quantities and costs indicated thereon qualify as permissible items of Remediation Work and further qualify as a Disbursement Request (as defined herein at Paragraph 6) from the Escrow Funds (as defined herein at Paragraph 3). Provided, however, notwithstanding the foregoing to the contrary, no item of construction of the Social Security building to be erected on the Property shall qualify as "Remediation Work".

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants and agreements contained herein, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Incorporation of Recitals. The Recitals are hereby incorporated into this Escrow

Agreement as if fully set forth herein.

2. Definitions. All capitalized terms not otherwise defined herein shall have the same meanings as set forth in the Redevelopment Agreement.

3. Escrow Deposits. Seller agrees to deposit with Escrowee on the date hereof the sum of FOUR HUNDRED SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$465,000.00) (the "Deposit"), consisting of the sums tendered by Purchaser to Seller in the amount of the Purchase Price for the purchase of the Property, to be held in accordance with this Escrow Agreement.

All funds deposited with Escrowee pursuant to this Escrow Agreement are hereinafter referred to as the "Escrow Funds".

4. Appointment of Escrowee. Seller and Purchaser hereby appoint Escrowee as escrowee pursuant to the terms of this Escrow Agreement and Escrowee hereby accepts said appointment pursuant to the terms hereof. The parties agree that Escrowee shall act in accordance with this Escrow Agreement or the joint written direction of Seller and Purchaser.

5. Term. The obligations of Escrowee under this Escrow Agreement shall terminate on the earlier of: (i) complete delivery of the Escrow Funds pursuant to paragraph 6 (a) hereof, or (ii) delivery of the Escrow Funds to Seller pursuant to paragraph 6(b) hereof, or (iii) tender of the Escrow Funds into a court of competent jurisdiction as permitted by paragraph 10 hereof. Upon termination of this Escrow Agreement, Escrowee shall be relieved from all duties, obligations, liabilities and responsibilities hereunder other than those that accrued prior thereto.

6 Disbursement of the Escrow Funds. Seller shall have sole authority to authorize disbursement to Purchaser or to any third parties set forth on Purchaser's Disbursement Request (as herein after defined) by the Escrowee of the Escrowed Funds pursuant to Section 24 of the Agreement, such authorization shall not be unreasonably withheld or delayed. As used herein Disbursement Request means prior to each requested disbursement by Purchaser from Escrowee, Purchaser shall deliver to Escrowee and Seller a request for disbursement, together with appropriate supporting documentation indicating that such disbursement is for Remediation Work and detailing the cost and payee(s) for which Purchaser is seeking such disbursement. Provided, however, notwithstanding the forgoing first sentence of this Paragraph 6 (a) to the contrary, Seller shall have five (5) business days from receipt of a Disbursement Request submitted by Purchaser to object to any Disbursement Request ("Seller's Objection") and in the Seller's Objection specify the reason that Seller is not approving any such Disbursement Request and any Seller's Objection must be served upon Purchaser and Escrowee within this said five (5) business day objection period (the "Objection Period").

If Seller fails to timely object to any Disbursement Request within the Objection Period then the same shall be paid by Escrowee after expiration of the Objection Period and Seller shall have no further right to object to that specific Disbursement Request. The amount of any Disbursement

Request not disputed by Seller in Seller's Objection shall be paid by Escrow Agent to the payee(s) set forth on the Disbursement Request.

Any Disbursement Request subject to a Seller's Objection, in whole or in part, and not resolved by Seller and Purchaser within five (5) business days from Seller's Objection, shall give rise to the right of Purchaser to have the same resolved by a court-ordered final judgment or any other manner of dispute resolution agreed upon in writing by Seller and Purchaser. Escrowee shall not act upon a Disbursement Request that is the subject matter of a timely made Seller's Objection until Escrowee shall have a further notice accompanied by

- (i). A final judgment, or
- (ii) A joint written direction signed by Seller and Purchaser.

As used herein, a "Final Judgment" shall mean a judgment entered by a court of competent jurisdiction.

In the event that the Purchaser does not fully complete the Remediation Work with the Escrowed Funds, Purchaser shall have the duty to complete the Remediation Work with its funds other than those held by the Escrowee.

(b) In the event that the Purchaser ceases, desists or otherwise terminates or abandons the Remediation Work, or defaults under the RDA, upon its sole written direction to Escrowee, as set forth in Section 24 of the Redevelopment Agreement, Seller shall be entitled to the receipt of the remaining balance, including interest, of the Escrow Funds.

Investment of Escrow Funds. Escrowee agrees that, as directed by Seller, Escrowee shall invest the Escrow Funds. Interest earned on the Escrow Funds shall be added to the amount of Escrow Funds as earned and shall be distributed as provided in this Agreement.

7. Investment of Escrow Funds. Escrowee agrees that, as directed by Seller, Escrowee shall invest the Escrow Funds. Interest earned on the Escrow Funds shall be added to the amount of Escrow Funds as earned and shall be distributed as provided in this Agreement.

8. Escrowee's Liability. The Escrowee (i) shall be entitled to act upon the written instructions from the parties as provided in this Agreement not only as to its due execution and the validity and effectiveness of its provisions but also to the truth and accuracy of any information therein contained which the Escrowee shall in good faith believe to be genuine and to have been signed by a proper person or persons; (ii) may consult independent counsel of its choice in respect to any question relating to its duties or responsibilities under this Agreement and shall not be liable for any action taken or omitted in good faith; (iii) shall be under no obligation to institute or defend any action, suit or legal proceeding in connection herewith or to take any other action likely to involve the Escrowee in expense, unless first indemnified to the Escrowee's satisfaction; (iv) shall have no responsibilities or obligations with respect to the maintenance of the value of the Escrow Funds; (v) shall not be bound by any amendment to this

Escrow Agreement or by any other agreement between the Seller and the Purchaser except with the Escrowee's written consent; and (vi) shall have only such duties and responsibilities as are expressly set forth in this Agreement and shall deliver the Escrow Funds only as provided in this Agreement.

9. Action for Interpleader. Notwithstanding anything in this Escrow Agreement to the contrary, in the event of a dispute between any of the parties to this Escrow Agreement arising prior to or at the time of termination of this Escrow Agreement, which dispute shall be sufficient, in the discretion of Escrowee, to justify so doing, Escrowee shall be entitled to tender all items held hereunder into the registry or custody of a court of competent jurisdiction in Cook County, Illinois, together with such legal pleadings as it may deem appropriate, and thereupon Escrowee shall be discharged from all further duties, obligations, liabilities, and responsibility as Escrowee.

10. Laws of Illinois. This Escrow Agreement shall be governed and construed under the laws of the State of Illinois.

11. Counterparts. This Escrow Agreement may be executed in counterparts, all of which, when taken together, shall constitute a single instrument.

12. Notices. Any notice required or permitted hereunder shall be in writing and shall be given via overnight delivery, hand delivery or via facsimile or email to the parties, and shall be addressed to the parties' attorney at the addresses stated below. Notice given in accordance with the above shall be effective upon receipt.

13. Assignment. This Escrow Agreement may not be assigned by the Purchaser, Seller nor Escrowee

14. Headings. The headings for the various Paragraphs herein are for reference only and are not part of this Escrow Agreement.

15. Separability of Provisions. If any term or provision of this Escrow Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Escrow Agreement and any other application of such term or provision shall not be affected thereby. All words used shall be understood and construed of such gender or number as circumstances may require.

16. Binding Effect. This Escrow Agreement shall be binding upon Seller and Purchaser and their respective heirs, administrators, executors, successors and assigns.

[Signatures Appear on Next Page]

IN WITNESS WHEREOF, the undersigned has executed this Escrow Agreement as of the date set forth.

SELLER

CITY OF CHICAGO

By: Marc J. Gaynes
Its: Assistant Corporation Counsel
Address: City Hall – 600
121 North LaSalle Street
Chicago, IL 60602
Facsimile: (312) 742-0277
Email: mgaynes@cityofchicago.org

ESCROWEE

CHICAGO TITLE & TRUST COMPANY

By: _____
Name: Regina Springer
Its: Escrow Agent
Address: 171 N. Clark Street
Chicago, IL 60601
Facsimile: 312-223-3673
Email: Regina.Springer@ctt.com

PURCHASER

97th STREET SSA, LLC

By: _____
Name: WILLIAM D. SCHORSCH
Its: Manager
Address: 694 E. Grandview Lane
Lake Forest, IL 60045
Facsimile: 847-482-0179
Email: wschorsch@sbcglobal.net

With a required copy to:
Martin S. Korey, Esq.
Stone, Pogrud & Korey, LLC
1 East Wacker Drive
Suite 2610
Chicago, IL 60601
Facsimile: 312-782-1482
Email: mkorey@spklaw.com

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable.

97th Street SSA, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. ☒ the Applicant

OR

2. ☐ a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

3. ☐ a legal entity with a right of control (see Section II.B.1) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B Business address of the Disclosing Party. 694 Grandview Lane
Lake Forest, IL 60045

C. Telephone: 847 482 0178 Fax: 847 482 0179 Email: wschorsch@sbcglobal.net

D. Name of contact person: _____

E. Federal Employer Identification No. (if you have one): 75-2299260

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

We are proposing to buy approximately 2.5 acres of City owned vacant land to build

a SSA office at 97th and Cottage Grove, Chicago, IL

G. Which City agency or department is requesting this EDS? Dept. of Housing and Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECRET

SECTION II – DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input checked="" type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☐ Yes ☐ No ☐ N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.

NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.

NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
William Schorsch	Managing Member
Joshua Hausman	Member
Martin S. Korey	Member
Sherwin I. Pogrand	Member
David B. Pogrand	Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
William Schorsch	694 Grandview Lane, Lake Forest, IL 60045	54%
Joshua Hausman	694 Grandview Lane Lake Forest, IL 60045	36%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

☐ Yes

☒ No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t b.d." is not an acceptable response.
--	------------------	--	--

(Add sheets if necessary)

☐ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

☐ Yes ☒ No ☐ No person directly or indirectly owns 10% or more of the Disclosing Party

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

☐ Yes ☐ No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency, and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. **NOTE:** If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

Name:	Address:	Relationship	Fees
McShane Construction	Rosemont, IL	General Contractor	\$158,000
Stone, Pogrand, Korey	Chicago, IL	General Counsel	10,000
James L. Banks	Chicago, IL	Special Counsel	10,000
EPI	South Holland, IL	Geotechnical	50,000
Schuman, Simon & Grodecki	Chicago, IL	Accountants	\$4,000
Maguire & Sponsel	Indianapolis, IN	Cost Segregation	\$4,000

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes, fraud; embezzlement, theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party,
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly, controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment, common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity), with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity,
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

☐ is ☒ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes ☒ No

NOTE If you checked "Yes" to Item D.1, proceed to Items D.2 and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

☐ Yes

☐ No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City

XXXX The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records

 2 The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI – CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

NONE

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A 1 and A 2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

☒ Yes ☐ No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes ☒ No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

☒ Yes ☐ No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

☐ Yes ☒ No

If you checked "No" to question 1. or 2. above, please provide an explanation:

We are not subject to the affirmative action programs because our projects
are too small and do not qualify.

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available online at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F 1., F 2 or F.3 above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

97th Street SSA, LLC

(Print or type name of Disclosing Party)

By: [Signature]
(Sign here) Manager

William Schorsch

(Print or type name of person signing)

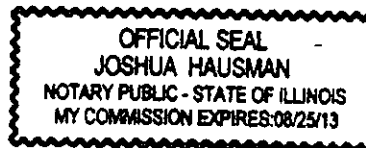
Manager

(Print or type title of person signing)

Signed and sworn to before me on (date) 2/25/2011,
at Lake County, IL (state)

[Signature] Notary Public.

Commission expires: 08/25/2013



(DO NOT SUBMIT THIS PAGE WITH YOUR EDS The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with 97th Street SSA LLC
[identify the Matter] Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

97th Street SSA LLC
(Print or type legal name of Disclosing Party)

Date: 5/12/2011

By:

William A. Schorsch
(sign here)

Print or type name of signatory:

WILLIAM SCHORSCH

Title of signatory:

Manager

Signed and sworn to before me on [date] 5/12/2011 by
William Schorsch at Lake County, IL [state].

Taylor Hausman Notary Public.

Commission expires: February 16, 2015



**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[] Yes

☒ No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters Not for City procurements unless requested

This recertification is being submitted in connection with 97th Street SSA LLC [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

97th Street SSA LLC
(Print or type legal name of Disclosing Party)

Date 5/12/2011

By:

William A. Schorsch
(sign here)

Print or type name of signatory

WILLIAM SCHORSCH

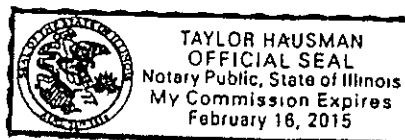
Title of signatory.

Manager

Signed and sworn to before me on [date] 5/12/2011 by
William Schorsch Lake County, IL [state].

Taylor Hausman Notary Public

Commission expires. February 16, 2015



APPROVED
Steve R. Patton
CORPORATION COUNSEL

APPROVED
Rahm Emanuel by SRP
9/14/11 Mayor